STATE OF RHODE ISLAND

Employment Bulletin

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RHODE ISLAND EMPLOYMENT AND UNEMPLOYMENT - OCTOBER 1991

Overall nonagricultural wage and salary jobs in Rhode Island rose for the third consecutive month, climbing to 438,500 in October. The monthly increase of 2,700 in the job total was mainly due to education-related employment gains in Services and Government. Compared to a year ago, however, the October job figure was down by 13,600.

Employment in the Service Producing sector advanced 2,500 in the September-October period to 330,500, but showed a decline of 4,100 compared to the year earlier figure. Within this sector, job levels in Services and Government posted the most substantial monthly increases (primarily education-related) of 2,000 and 800, respectively. A seasonal downturn in Wholesale/Retail Trade resulted in an overall decline of 300 jobs from last month. Employment in Finance, Insurance & Real Estate and Transportation & Public Utilities was unchanged from September.

The number of jobs in the Goods Producing sector totaled 108,000 in October, reflecting a monthly gain of 200, but an annual decrease of 9,500. Contract Construction jobs showed no change from the September level of 14,900, but were down 3,200 compared to October 1990. Total factory employment rose by 200 to 93,100 in October; however, this figure was 6,300 below the year earlier job level. Employment in the Durable Goods category increased 400 from the previous month while the Nondurable Goods category registered a decline of 200. The largest monthly job gain (+300) occurred in Jewelry-Silverware, followed by smaller increases of 100 each in Nonelectrical Machinery, Electrical Machinery and Food-Beverage. These upturns more than offset monthly reductions of 100 each in Miscellaneous Manufacturing, Textiles, Printing-Publishing and Leather Products. The remaining eleven segments - six in Durable Goods and five in Nondurable Goods - were unchanged from their September levels.

The October work week averaged 40.8 hours, down 0.3 of an hour from the prior month, but up 1 hour compared to a year ago. Production workers averaged $9.70 per hour in October, reflecting an increase of 6 cents from September and 14 cents from the October 1990 figure.

Rhode Island's seasonally adjusted unemployment rate was estimated at 9.8 percent in October, up one-tenth of a percentage point from the September estimate of 9.7 percent. The state's unadjusted rate decreased from September to October, dropping by two-tenths of a percentage point to 9.0 percent. Correspondingly, the number of unemployed persons in Rhode Island declined to 45,800, down 1,400 over the month. A year ago the state's seasonally adjusted rate was estimated at 6.1 percent while the unadjusted rate stood at 5.8 percent.

Nationally, the seasonally adjusted rate rose to 6.8 percent in October from an estimated 6.7 percent in September. The U.S. unadjusted rate was unchanged at 6.4 percent from September to October. One year ago the national rates were placed at 5.7 percent (adjusted) and 5.4 percent (unadjusted).

1992 TAXABLE WAGE BASES

The taxable wage bases for the Unemployment Insurance and Temporary Disability Insurance programs have been determined for calendar year 1992. John M. Robinson, Director of the Department of Employment and Training, recently announced that the wage bases on which taxes will be paid during the 1992 tax year, which begins January 1, will be $15,200 for Unemployment Insurance and $38,000 for Temporary Disability Insurance.

The employee contribution rate for Temporary Disability Insurance will remain at 1.3 percent of the new T.D.I. wage base. Employers will be notified of their individual U.I. tax rates in January.

INTERNAL REVENUE CODE
401K and 125 Plans

Unlike the applicable provisions of the Internal Revenue Code (IRC), the Rhode Island Employment Security and Temporary Disability Insurance Acts contain no provision to treat payments made under a deferred compensation (IRC 401K) plan any differently than ordinary wages. Therefore, wages paid into a deferred compensation fund under an IRC 401K plan are subject to Employment Security, Temporary Disability Insurance and Job Development Fund taxes.

In addition, the amounts of employee salary reductions for benefits under a cafeteria (IRC 125) plan as well as cash benefits provided by an employer over and above gross pay under a cafeteria (IRC 125) plan are also considered to be wages subject to Employment Security, Temporary Disability Insurance, and Job Development Fund taxes.

However, non-cash benefits provided by an employer over and above gross pay under a cafeteria (IRC 125) plan are exempt from these taxes if they meet the specific criteria prescribed in section 28-42-3(17)(B) of the R.I. Employment Security Act. Such non-cash benefits include payments made by an employer for insurance (including medical or hospitalization insurance) or annuities for employees.

Further information on this subject may be obtained by calling the department's Tax Unit at 277-3696.

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Employment and unemployment statistics contained in this report were compiled by THE DEPT. OF EMPLOYMENT AND TRAINING in cooperation with the BUREAU OF LABOR STATISTICS, U.S. DEPT. OF LABOR. For additional information contact LABOR MARKET INFORMATION at 277-3706. TDD Voice: 277-3718.

RHODE ISLAND

Labor Force Statistics
(In Thousands)

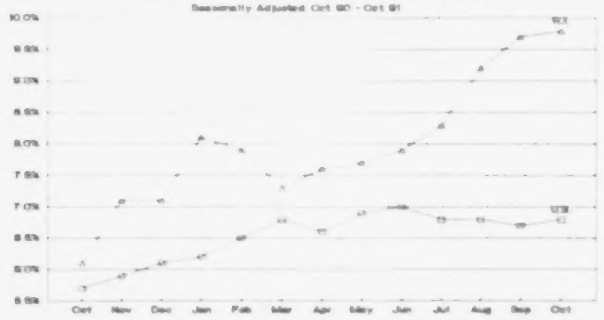
	Oct. 1991	Sep.* 1991	Oct.* 1990	
Civilian Labor Force	508.5	510.3	513.3	
Resident Employment	462.7	463.1	483.5	
Unemployment	45.8	47.2	29.8	
Rate (Unadjusted)	9.0	9.2	5.8	
Seasonally Adjusted Rate	9.8	9.7	6.1	*Revised

UNITED STATES

Labor Force Statistics
(In Thousands)

	Oct. 1991	Sep. 1991	Oct. 1990
Civilian Labor Force	125,568	125,405	125,020
Resident Employment	117,555	117,335	118,299
Unemployment	8,013	8,070	6,722
Rate (Unadjusted)	6.4	6.4	5.4
Seasonally Adjusted Rate	6.8	6.7	5.7

R.I. and U.S. UNEMPLOYMENT RATES



TOTAL ESTABLISHMENT EMPLOYMENT IN RHODE ISLAND

	EMPLOYMENT (In Thousands) Oct. 1991	Sep. 1991	Oct. 1990	NET CHANGE FROM Sep. 1991	Oct. 1990
TOTAL EMPLOYMENT	438.5	435.8	452.1	+ 2700	- 13600
GOODS PRODUCING	108.0	107.8	117.5	+ 200	- 9500
CONTRACT CONSTRUCTION	14.9	14.9	18.1	-	- 3200
MANUFACTURING	93.1	92.9	99.4*	+ 200	- 6300
SERVICE PRODUCING	330.5	328.0	334.6	+ 2500	- 4100
TRANS. & PUBLIC UTILITIES	15.5	15.5	15.9	-	- 400
TRADE (Wholesale & Retail)	92.9	93.2	96.5	- 300	- 3600
FINANCE, INS. & REAL ESTATE	25.9	25.9	27.0	-	- 1100
SERVICE (Miscellaneous)	131.7	129.7	130.4*	+ 2000	+ 1300
GOVERNMENT	64.5	63.7	64.8	+ 800	- 300

*Labor Dispute

ESTABLISHMENT EMPLOYMENT, EARNINGS AND HOURS IN MANUFACTURING INDUSTRIES IN R.I.

OCTOBER 1991

	EMPLOYMENT (In Thousands)	PRODUCTION-WORKER AVERAGES Weekly Earnings	Weekly Hours	Hourly Earnings
ALL MANUFACTURING	93.1	395.76	40.8	9.70
DURABLE MFG.	62.2	401.55	41.1	9.77
LUMBER/FURNITURE	2.4	428.66	36.7	11.68
STONE-CLAY-GLASS	1.3	460.60	37.6	12.25
PRIMARY METALS	3.7	436.13	41.3	10.56
FABRICATED METALS	7.2	371.84	39.6	9.39
NONELECTRIC MACH.	5.1	542.92	45.7	11.88
ELECTRICAL MACH.	4.6	375.89	38.2	9.84
TRANS. EQUIPMENT	6.4	596.32	45.8	13.02
INSTRUMENTS	6.2	452.98	43.1	10.51
JEWELRY-SILVERWARE	19.8	325.48	41.2	7.90
MISCELLANEOUS MFG.	5.5	311.32	36.2	8.60
NONDURABLE MFG.	30.9	384.31	40.2	9.56
FOOD-BEVERAGE	2.8	378.43	41.0	9.23
TEXTILES	8.3	364.66	42.7	8.54
APPAREL	1.5	268.60	37.1	7.24
PAPER PRODUCTS	1.9	394.79	40.7	9.70
PRINTING-PUBLISHING	5.7	420.58	33.3	12.63
CHEMICAL PRODUCTS	2.9	432.82	38.1	11.36
RUBBER PRODUCTS	0.7	431.79	38.9	11.10
PLASTICS PRODUCTS	5.3	452.84	43.5	10.41
LEATHER PRODUCTS	1.8	263.47	39.5	6.67

Farmers, Self-employed, Domestic and Armed Services personnel are excluded from the Establishment Employment figures. Current month figures are PRELIMINARY. Prior month and year figures are REVISED.